

THE TORONTO STOCK EXCHANGE

LISTING STATEMENT

NEW CALUMET MINES LIMITED

(No Personal Liability)

Incorporated under the Quebec Mining Companies' Act the 8th day of May, 1942;

Supplementary Letters Patent, 5th June, 1943, increased capital to \$3,500,000.00

1. Address of the Company's Head Office and of any other offices:

Head Office: Room 102, 355 St. James Street West, Montreal, Quebec
Executive Office: 25 King Street West, Toronto, Ontario
Mine Office: Calumet Island P.O., Quebec

2. Officers of the Company:

OFFICE HELD	NAME	ADDRESS	OCCUPATION
President	Melvin A. Thomson	355 St. James St. West, Montreal, Quebec	Mining Executive
Vice-President	John T. Hackett	507 Place d'Armes, Montreal, Quebec	Advocate and King's Counsel
Secretary-Treasurer	William Bernard Malone	25 King Street West, Toronto, Ontario	Chartered Accountant
Assistant Secretary- Treasurer	Jean McG. Forbes	355 St. James St. W., Montreal, Quebec	Secretary

3. Directors of the Company:

NAME	ADDRESS	OCCUPATION
Melvin A. Thomson	355 St. James St. West, Montreal, Quebec	Mining Executive
John T. Hackett	507 Place d'Armes, Montreal, Quebec	Advocate and King's Counsel
Andrew J. Davis	Newmarket, Ontario	Manufacturer
Walter Bernard Maxwell	25 King Street West, Toronto, Ontario	Mining Executive and Mining Engineer
J. M. Cunningham-Dunlop	Haileybury, Ontario	Mining Engineer

4. Amount of authorized capital: \$3,500,000

5. Number of shares and par value: 3,500,000 shares of the par value of \$1 each.

6. Full details of all shares issued in payment for properties or for any other assets other than cash:

Date	Number of Shares	Consideration
July 20th, 1942.....	1,399,902	Agreement dated the 20th day of July, 1942, between Calumet Mines Limited (No Personal Liability) and New Calumet Mines Limited (No Personal Liability) under which all the assets movable and immovable of Calumet Mines Limited (No Personal Liability) were sold, transferred and assigned to the company in consideration of 1,399,902 shares issued as fully paid up and non-assessable at a discount of 85% together with \$302,310.75 in notes of the company maturing in ten years, without interest, non-voting, negotiable and payable in whole or in part and if in part as nearly as possible in equal percentage as regards each note at the option of the company at any time before maturity and in any event payment in full before any dividends are paid on the capital stock of the company. The company assumed all the debts, liabilities and obligations of Calumet Mines Limited (No Personal Liability).
Total.....	1,399,902	

7. Number of shares sold for cash 2,100,005

8. Total number of shares issued 3,499,907

9. Number of shares now in treasury or otherwise unissued: 93

This listing statement is a copy of the listing application made by the applicant company. The Exchange has received no consideration in connection with the issue of this listing statement other than the customary listing fee. The papers and exhibits submitted by the applicant company in support of the listing application are open for inspection at the general office of the Exchange.

10. Full details of all shares sold for cash.	Date	Number of Shares	Price per Share	Amount Realized by Company
	Application for incorporation.....	5	25c	\$ 1.25
	Oct. 1st, 1942....	500,000	15c	75,000.00
	Mar. 22nd, 1943....	1,000,000	20c	200,000.00
	Oct. 25th, 1943....	500,000	4 $\frac{1}{4}$ c	21,250.00
	Oct. 25th, 1943....	100,000	4 $\frac{1}{4}$ c	4,250.00
	Total.....	2,100,005		\$300,501.25
11. Particulars of any issued shares held in trust for the Company or donated for treasury purposes.	None			
12. Date of last annual meeting.	January 10th, 1945.			
13. Date of last report to shareholders.	December 9th, 1944			
14. Details of any treasury shares (or shares issued subject to payment or shares held for the benefit of the treasury) now under option or the subject of any underwriting or sales agreement. If none, this to be stated.	None			
15. Details of any shares pooled, deposited in escrow, non-transferable or held under any syndicate agreement or control.	None			
16. Details of any registration with, or approval or authority for sale granted by, a Securities Commission or corresponding Government body.	Under date of May 9th, 1945, permission was granted by the Ontario Securities Commission for the sale of the shares of the company through the medium of any registered broker in Ontario. Pursuant to application dated the 6th day of August, 1943, the company was registered as a security issuer under The Securities Act, Quebec. The registration was not renewed in the subsequent years.			
17. Has any application for registration with, or approval or authority for sale by, a Securities Commission or corresponding Government body ever been refused, cancelled or revoked? If so, give particulars.	No			

18. Particulars of any bonds, notes, mortgages, charges, liens or hypothecations outstanding.	(a) Unsecured non-interest bearing notes due 6th November, 1951, in the amount of \$302,310.75. Registrar of the said notes is The Eastern Trust Company, Montreal, Quebec. (b) Notes to an aggregate principal amount of \$350,000.00 carrying interest at the rate of 5% per annum as and from the date of issue and maturing on the 1st day of April, 1948, secured by Trust Deed of Hypothec Mortgage and Pledge dated the 26th day of October, 1943, by the company in favour of The Eastern Trust Company, by way of a first specific and floating mortgage, charge or hypothec. (c) Notes to an aggregate principal amount of \$425,000.00 designated as 5% Secured Notes, Series "B" dated as of the 1st day of April, 1943, and carrying interest at the rate of 5% per annum as and from the 1st day of April, 1943, payable semi-annually on the first days of October and April of each year except that such interest first becomes payable two and a half years from the 1st day of April, 1943. The said 5% Secured Notes, Series "B", are secured by a Trust Deed of Hypothec Mortgage and Pledge dated the 26th day of October, 1943, by the company in favour of The Eastern Trust Company by way of specific and floating mortgage, charge or hypothec subordinated to the Trust Deed of Hypothec Mortgage and Pledge bearing the same date referred to in (b) above securing notes to an aggregate principal amount of \$350,000.00. The 5% Secured Notes, Series "A", to an aggregate principal amount of \$80,000.00 were discharged on the 1st day of February, 1945.
19. Names and addresses of all transfer agents.	The Eastern Trust Company, Toronto and Montreal.
20. Particulars of any fee charged upon transfers other than customary government taxes.	A charge of 25c is made for each certificate issued other than certificates for original treasury shares.
21. Names and addresses of all registrars.	The Eastern Trust Company, Toronto and Montreal.
22. Are any lawsuits pending against the Company or any of its properties, or are there any other circumstances which might affect the Company's position or title adversely? If so, explain fully.	No
23. Enumerate fully: (a) Properties owned where titles vested in Company. (b) Properties leased. (c) Properties otherwise held. Give particulars of title held by the Company in each instance, (e.g. patented, unpatented, Crown granted, held under mining license, perpetual lease, etc.)	(a) Part of Lot four-A, Range Two, Township of Litchfield, as described in deed registered under number 49424, and (b) Lots Nine-A, Nine-B, Ten-A, Ten-B, Eleven-A, Eleven-B, Twelve-A and Twelve-B (9-a, 9-b, 10-a, 10-b, 11-a, 11-b, 12-a, 12-b) in the Fourth Range, Township of Grand Calumet Island, County of Pontiac, Province of Quebec. The Company is in possession of servitudes in perpetuity on the right of way of a transmission line six miles long by 100 feet wide, running from the Gatineau Power Company's power house at Bryson, Quebec, to the Mine plant on Lot 9A, Range IV, Calumet Island.

24. Full particulars of any royalties or other charges payable upon production from each individual property.	None																																																																																									
25. Describe plant and equipment on property.	Buildings, machinery and equipment as at 30th September, 1944, costing originally \$1,006,990.52.																																																																																									
26. Describe development accomplished and planned.	DEVELOPMENT WORK DONE: Between and during the years 1937 and 1942, 99,469 feet of diamond drilling was performed on surface. This drilling ranged from comparatively short holes to holes nearly 1,800 feet in depth and was done in the vicinity of the present shaft, the old MacDonald, Russel and Longstreet shafts and on some other out-lying locations for exploration purposes. During 1942 and up to Sept. 30, 1943, there had been performed the following diamond drilling and underground work: <table><tr><td></td><td>During 1942 and to Sept. 30, 1943</td></tr><tr><td>Shaft (finished to 745 feet Oct. 8, 1943).....</td><td>745 ft.</td></tr><tr><td>Stations and Sumps.....</td><td>37,593 cu. ft.</td></tr><tr><td>Loading Pocket.....</td><td>6,375 cu. ft.</td></tr><tr><td>Drifting, Crosscutting and Raising:</td><td></td></tr><tr><td> 200 ft. level.....</td><td>1,801 ft.</td></tr><tr><td> 300 ft. level.....</td><td>1,016 ft.</td></tr><tr><td></td><td> 2,817 ft.</td></tr><tr><td>Diamond Drilling:</td><td></td></tr><tr><td> Surface (previous to 1943).....</td><td>99,469 ft.</td></tr><tr><td> 200 ft. level.....</td><td>4,999 ft.</td></tr><tr><td> 300 ft. level.....</td><td>2,344 ft.</td></tr><tr><td></td><td> 106,812 ft.</td></tr></table> SUMMARY OF DEVELOPMENT FROM OCT. 1ST, 1943, TO APRIL 30TH, 1945: <table><tr><td></td><td>Oct. 1st, 1943 to Apr. 30th, 1945</td><td>Total to April 30th, 1945</td></tr><tr><td>Shaft No. 1.....</td><td>24 ft.</td><td>745 ft.</td></tr><tr><td>Shaft No. 2.....</td><td>120 ft.</td><td>120 ft.</td></tr><tr><td>Stations and Sumps.....</td><td>39,209 cu. ft.</td><td>90,057 cu. ft.</td></tr><tr><td>Loading Pockets.....</td><td></td><td>6,375 cu. ft.</td></tr><tr><td>Drifting, Crosscutting and Raising:</td><td></td><td></td></tr><tr><td> 200 ft. level.....</td><td>30 ft.</td><td>1,920 ft.</td></tr><tr><td> 300 ft. level.....</td><td>504 ft.</td><td>2,320 ft.</td></tr><tr><td> 400 ft. level.....</td><td>538 ft.</td><td>1,594 ft.</td></tr><tr><td> 500 ft. level.....</td><td>677 ft.</td><td>830 ft.</td></tr><tr><td> 600-ft. level.....</td><td>148 ft.</td><td>282 ft.</td></tr><tr><td> 650 ft. level.....</td><td></td><td>107 ft.</td></tr><tr><td> 700 ft. level.....</td><td></td><td>50 ft.</td></tr><tr><td></td><td> 1,897 ft.</td><td> 7,103 ft.</td></tr><tr><td>Diamond Drilling:</td><td></td><td></td></tr><tr><td> Surface.....</td><td></td><td>99,469 ft.</td></tr><tr><td> 200 ft. level.....</td><td>267 ft.</td><td>6,171 ft.</td></tr><tr><td> 300 ft. level.....</td><td>1,110 ft.</td><td>4,399 ft.</td></tr><tr><td> 400 ft. level.....</td><td>639 ft.</td><td>2,266 ft.</td></tr><tr><td> 500 ft. level.....</td><td>1,806 ft.</td><td>2,107 ft.</td></tr><tr><td></td><td> 3,822 ft.</td><td> 114,412 ft.</td></tr></table> Work outlined in the above Table consists of: An ore pocket at the 650-ft. horizon, ore-and-waste-pass system from 650 feet to the 300-ft. level. Drifts and slashing on the various levels to allow installation of ore-pass grizzlies. Pumping stations and sumps, on the 400-, 600-, and 700-ft. levels. DEVELOPMENT WORK PLANNED: Development of ore already indicated on lower levels at No. 1 shaft and the sinking of No. 2 shaft to 400 feet.		During 1942 and to Sept. 30, 1943	Shaft (finished to 745 feet Oct. 8, 1943).....	745 ft.	Stations and Sumps.....	37,593 cu. ft.	Loading Pocket.....	6,375 cu. ft.	Drifting, Crosscutting and Raising:		200 ft. level.....	1,801 ft.	300 ft. level.....	1,016 ft.		2,817 ft.	Diamond Drilling:		Surface (previous to 1943).....	99,469 ft.	200 ft. level.....	4,999 ft.	300 ft. level.....	2,344 ft.		106,812 ft.		Oct. 1st, 1943 to Apr. 30th, 1945	Total to April 30th, 1945	Shaft No. 1.....	24 ft.	745 ft.	Shaft No. 2.....	120 ft.	120 ft.	Stations and Sumps.....	39,209 cu. ft.	90,057 cu. ft.	Loading Pockets.....		6,375 cu. ft.	Drifting, Crosscutting and Raising:			200 ft. level.....	30 ft.	1,920 ft.	300 ft. level.....	504 ft.	2,320 ft.	400 ft. level.....	538 ft.	1,594 ft.	500 ft. level.....	677 ft.	830 ft.	600-ft. level.....	148 ft.	282 ft.	650 ft. level.....		107 ft.	700 ft. level.....		50 ft.		1,897 ft.	7,103 ft.	Diamond Drilling:			Surface.....		99,469 ft.	200 ft. level.....	267 ft.	6,171 ft.	300 ft. level.....	1,110 ft.	4,399 ft.	400 ft. level.....	639 ft.	2,266 ft.	500 ft. level.....	1,806 ft.	2,107 ft.		3,822 ft.	114,412 ft.
	During 1942 and to Sept. 30, 1943																																																																																									
Shaft (finished to 745 feet Oct. 8, 1943).....	745 ft.																																																																																									
Stations and Sumps.....	37,593 cu. ft.																																																																																									
Loading Pocket.....	6,375 cu. ft.																																																																																									
Drifting, Crosscutting and Raising:																																																																																										
200 ft. level.....	1,801 ft.																																																																																									
300 ft. level.....	1,016 ft.																																																																																									
	2,817 ft.																																																																																									
Diamond Drilling:																																																																																										
Surface (previous to 1943).....	99,469 ft.																																																																																									
200 ft. level.....	4,999 ft.																																																																																									
300 ft. level.....	2,344 ft.																																																																																									
	106,812 ft.																																																																																									
	Oct. 1st, 1943 to Apr. 30th, 1945	Total to April 30th, 1945																																																																																								
Shaft No. 1.....	24 ft.	745 ft.																																																																																								
Shaft No. 2.....	120 ft.	120 ft.																																																																																								
Stations and Sumps.....	39,209 cu. ft.	90,057 cu. ft.																																																																																								
Loading Pockets.....		6,375 cu. ft.																																																																																								
Drifting, Crosscutting and Raising:																																																																																										
200 ft. level.....	30 ft.	1,920 ft.																																																																																								
300 ft. level.....	504 ft.	2,320 ft.																																																																																								
400 ft. level.....	538 ft.	1,594 ft.																																																																																								
500 ft. level.....	677 ft.	830 ft.																																																																																								
600-ft. level.....	148 ft.	282 ft.																																																																																								
650 ft. level.....		107 ft.																																																																																								
700 ft. level.....		50 ft.																																																																																								
	1,897 ft.	7,103 ft.																																																																																								
Diamond Drilling:																																																																																										
Surface.....		99,469 ft.																																																																																								
200 ft. level.....	267 ft.	6,171 ft.																																																																																								
300 ft. level.....	1,110 ft.	4,399 ft.																																																																																								
400 ft. level.....	639 ft.	2,266 ft.																																																																																								
500 ft. level.....	1,806 ft.	2,107 ft.																																																																																								
	3,822 ft.	114,412 ft.																																																																																								
27. Date and author of mining engineer's or petroleum geologist's report filed with this application and available for inspection on request.	Report dated September 9th, 1943, J. M. Cunningham-Dunlop.																																																																																									

28. Full particulars of production to date.	Mill results for the year October 1st, 1943, to September 30th, 1944, were as follows: <table><tr><td></td><td>Tons</td><td>Zn.</td><td>Pb.</td><td>Ag.</td><td>Au.</td></tr><tr><td>Tons Treated.....</td><td>148,245</td><td>9.41%</td><td>2.41%</td><td>4.26 ozs.</td><td>.020 ozs.</td></tr><tr><td>Zn. Concts. Prod....</td><td>24,160.9</td><td>52.00%</td><td>.74%</td><td>4.07 ozs.</td><td>.017 ozs.</td></tr><tr><td>Pb. Concts. Prod....</td><td>7,376.3</td><td>5.16%</td><td>45.32%</td><td>61.81 ozs.</td><td>.238 ozs.</td></tr><tr><td>Recovery.....</td><td></td><td>91.90%</td><td>89.50%</td><td>68.90%</td><td>55.40%</td></tr><tr><td>Metal Produced....</td><td>24,907,451.3 lbs.</td><td></td><td>6,594,247.7 lbs.</td><td>444,487.5 ozs.</td><td>1,790.9 ozs.</td></tr></table> Mill results for the 7 months October 1st, 1944, to April 30th, 1945: <table><tr><td></td><td>Tons</td><td>Zn.</td><td>Pb.</td><td>Ag.</td><td>Au.</td></tr><tr><td>Tons Treated.....</td><td>100,320</td><td>8.08%</td><td>2.34%</td><td>4.73 ozs.</td><td>.020 ozs.</td></tr><tr><td>Zn. Concts. Prod....</td><td>14,832</td><td>50.93%</td><td>.59%</td><td>5.02 ozs.</td><td>.022 ozs.</td></tr><tr><td>Pb. Concts. Prod....</td><td>5,191.3</td><td>5.20%</td><td>43.74%</td><td>61.06 ozs.</td><td>.223 ozs.</td></tr><tr><td>Recovery.....</td><td></td><td>89.50%</td><td>89.60%</td><td>63.70%</td><td>53.1%</td></tr><tr><td>Metal Produced....</td><td>14,839,351.1 lbs.</td><td></td><td>4,656,095.5 lbs.</td><td>323,328.28 ozs.</td><td>1,201.15 ozs.</td></tr></table>		Tons	Zn.	Pb.	Ag.	Au.	Tons Treated.....	148,245	9.41%	2.41%	4.26 ozs.	.020 ozs.	Zn. Concts. Prod....	24,160.9	52.00%	.74%	4.07 ozs.	.017 ozs.	Pb. Concts. Prod....	7,376.3	5.16%	45.32%	61.81 ozs.	.238 ozs.	Recovery.....		91.90%	89.50%	68.90%	55.40%	Metal Produced....	24,907,451.3 lbs.		6,594,247.7 lbs.	444,487.5 ozs.	1,790.9 ozs.		Tons	Zn.	Pb.	Ag.	Au.	Tons Treated.....	100,320	8.08%	2.34%	4.73 ozs.	.020 ozs.	Zn. Concts. Prod....	14,832	50.93%	.59%	5.02 ozs.	.022 ozs.	Pb. Concts. Prod....	5,191.3	5.20%	43.74%	61.06 ozs.	.223 ozs.	Recovery.....		89.50%	89.60%	63.70%	53.1%	Metal Produced....	14,839,351.1 lbs.		4,656,095.5 lbs.	323,328.28 ozs.	1,201.15 ozs.
	Tons	Zn.	Pb.	Ag.	Au.																																																																				
Tons Treated.....	148,245	9.41%	2.41%	4.26 ozs.	.020 ozs.																																																																				
Zn. Concts. Prod....	24,160.9	52.00%	.74%	4.07 ozs.	.017 ozs.																																																																				
Pb. Concts. Prod....	7,376.3	5.16%	45.32%	61.81 ozs.	.238 ozs.																																																																				
Recovery.....		91.90%	89.50%	68.90%	55.40%																																																																				
Metal Produced....	24,907,451.3 lbs.		6,594,247.7 lbs.	444,487.5 ozs.	1,790.9 ozs.																																																																				
	Tons	Zn.	Pb.	Ag.	Au.																																																																				
Tons Treated.....	100,320	8.08%	2.34%	4.73 ozs.	.020 ozs.																																																																				
Zn. Concts. Prod....	14,832	50.93%	.59%	5.02 ozs.	.022 ozs.																																																																				
Pb. Concts. Prod....	5,191.3	5.20%	43.74%	61.06 ozs.	.223 ozs.																																																																				
Recovery.....		89.50%	89.60%	63.70%	53.1%																																																																				
Metal Produced....	14,839,351.1 lbs.		4,656,095.5 lbs.	323,328.28 ozs.	1,201.15 ozs.																																																																				
29. Have any dividends been paid? If so, give dates and amounts.	No																																																																								
30. Name and address of the solicitor or attorney whose certificate as to titles and to the fact that there are no encumbrances or tax arrears has been filed with the Exchange.	Messrs. Hackett, Mulvena, Foster, Hackett & Hannen, 507 Place d'Armes, Montreal, P.Q. Donat Le Guerrier, Esq., Notary Public, Campbell's Bay, P.Q.																																																																								
31. Name and address of the solicitor or attorney whose certificate as to the legality of the incorporation and organization of the company, the validity of its shares and the fact that they are fully paid and non-assessable has been filed with the Exchange.	Messrs. Fasken, Robertson, Aitchison, Pickup & Calvin, 36 Toronto Street, Toronto.																																																																								
32. Has the listing of any shares of the Company ever been refused or deferred on any stock exchange? If so, give particulars.	No																																																																								
33. Are any shares of the Company listed on any other stock exchange? If so, give particulars.	The Montreal Curb Market, Mining Section.																																																																								

Dated at Toronto this 31st day of May, 1945.



NEW CALUMET MINES LIMITED,
(No Personal Liability)

"Melvin A. Thomson", *President.*
"William Bernard Malone", *Secretary.*

STATEMENT SHOWING NUMBER OF SHAREHOLDERS

<i>Number</i>				<i>Shares</i>
46	Holders of	1 - 100 shares.....		2,540
186	" "	101 - 1000 ".....		76,279
28	" "	1001 - 2000 ".....		41,209
5	" "	2001 - 3000 ".....		12,749
6	" "	3001 - 4000 ".....		20,627
1	" "	4001 - 5000 ".....		4,814
24	" "	5001 - up ".....		3,341,689
296 Stockholders			Total Shares.....	3,499,907

REPORT OF THE DIRECTORS AS CONTAINED IN LAST ANNUAL REPORT

To the Shareholders of
NEW CALUMET MINES LIMITED.
(No Personal Liability)

Your Directors submit herewith the Second Annual Report of New Calumet Mines Limited (No Personal Liability) for the year ended September 30th, 1944, together with Balance Sheet, with attached Auditors' Report and Manager's Report.

The Company indebtedness under notes remains the same as last year, \$1,157,310.75. The cost of bringing the property into production during this unpredictable period was higher than first anticipated and it was necessary to borrow a further \$87,500.00 from the financing group. This sum has been repaid since September 30th, 1944. It will be noted from the Balance Sheet that the metal settlements outstanding as of September 30th, 1944, amount to \$242,841.65, which amount will be subject to slight settlement adjustments. Income for the year, before providing for Depreciation and Deferred Development Expenses, amounted to \$519,939.14 and this has been applied to Reserves for Depreciation and to write-off of Deferred Development Expenses, resulting in a net book loss of \$22,760.91.

Ore reserves have been reduced some during the year but the 148,245 tons of ore milled ran about 1.25% higher zinc than was reported in reserves last year.

During the year no great amount of exploration work has been carried out as efforts were being made to get the property on a normal production basis, though some diamond drilling in the foot wall between the 300 and 500 foot levels has indicated the presence of some further tonnage.

Current shipments of lead and zinc concentrates are being made to smelters designated by the Metals Reserve Company of the United States, with whom your Company has a contract. The lead concentrates that were stored at the plant have now all been shipped.

Your property has now been in operation a year and has reached a point where improvements, or slight improvements, in results may be expected though to date exceptional recoveries have been made in both lead and zinc. The property, having commenced operations in the war period, affected by shortages of labor, skilled miners and delays in supplies, has, we believe, done well and any betterments obtained in operations during 1945 will depend on improvements to the labor situation.

Your Directors wish to express their thanks to the Manager, Mr. J. M. C. Dunlop, staff and employees for their efforts in bringing the plant into production during this period of great difficulty.

On behalf of the Board of Directors,

M. A. THOMSON,

President.

Montreal, Quebec, December 9, 1944.

FINANCIAL STATEMENTS BALANCE SHEET AS AT 30th SEPTEMBER, 1944

ASSETS

CURRENT:

Cash in bank.....	\$ 122,212.76	
Accounts receivable.....	6,366.58	
Metal settlements receivable—		
Interim billings.....	\$ 704,997.28	
Less received on account.....	462,155.63	
	<u>242,841.65</u>	\$ 371,420.99

FIXED:

Mining properties acquired—		
For 1,399,902 shares issued at.....	\$ 209,985.30	
For unsecured non-interest bearing notes issued at par....	298,661.40	
	<u>\$ 508,646.70</u>	
For cash.....	4,003.70	
	<u>\$ 512,650.40</u>	
Buildings, machinery and equipment—		
Cost.....	\$1,006,990.52	
Less reserve for depreciation.....	351,344.79	
	<u>655,645.73</u>	1,168,296.13

DEFERRED:

Inventory of supplies.....	\$ 121,227.36	
Sundry prepaid expense.....	15,350.57	
	<u>\$ 136,577.93</u>	
Deferred development expense—		
Cost.....	\$ 337,188.72	
Less written off.....	168,594.35	
	<u>\$ 168,594.37</u>	
Discount on notes issued (less \$3,980 written off).....	21,520.00	
Incorporation expense.....	2,615.84	
	<u>192,730.21</u>	329,308.14
		<u>\$1,869,025.26</u>

LIABILITIES

CURRENT:

Wages payable.....	\$	21,858.28	
Accounts payable.....		59,392.94	
Notes payable—repayable on demand.....		87,500.00	
Taxes payable and accrued—estimated.....		18,780.91	
Interest payable and accrued, of which \$31,875 represents interest accrued which is not payable before 1st October, 1945.....		36,456.74	
			\$ 223,988.87

NOTES PAYABLE:

5% first mortgage notes due 1st April, 1948.....	\$	350,000.00	
5% secured notes:—			
Series "A" due 1st April, 1950.....		80,000.00	
Series "B" due 1st October, 1950.....		425,000.00	
Unsecured non-interest bearing notes due 6th November, 1951.....		302,310.75	
			1,157,310.75

CAPITAL LESS DEFICIT:

Authorized—3,500,000 shares of \$1 each.			
Issued—3,499,907 shares:			
For cash.....	Par Value	Discount	
For properties.....	\$2,100,005.00	\$1,799,503.75	
	1,399,902.00	1,189,916.70	
	\$3,499,907.00	\$2,989,420.45	\$ 510,486.55

Less deficit, being loss for the year ended 30th September, 1944, after providing depreciation and amortization totalling \$519,939.14 per statement attached.....		22,760.91	
			487,725.64

NOTE: No dividends may be paid until the unsecured non-interest bearing notes due 6th November, 1951, have been paid in full.
Approved on behalf of the Board:

M. A. THOMSON, Director.	\$1,869,025.26
W. B. MAXWELL, Director.	

AUDITORS' REPORT TO THE SHAREHOLDERS

We have audited the accounts of New Calumet Mines Limited (No Personal Liability) for the year ended 30th September, 1944, and have received all the information and explanations we have required. We report that in our opinion the above balance sheet and the related statement of operations have been drawn up so as to exhibit a true and correct view of the state of the company's affairs at 30th September, 1944, and of the results of its operations for the year ended on that date, according to the best of our information and the explanations given us and as shown by the books.

CLARKSON, GORDON, DILWORTH & NASH,

Toronto, Canada, 5th December, 1944.

Chartered Accountants.

STATEMENT OF OPERATIONS FOR THE YEAR ENDED 30th SEPTEMBER, 1944

METAL PRODUCTION:

Zinc.....	\$	824,861.84
Lead.....		197,816.17
Gold.....		59,078.18
Silver.....		195,574.23
Total metal production (U.S. funds).....		\$1,277,330.42
Premium U. S. Funds 10%.....		127,733.03
		\$1,405,063.45
Less marketing charges.....		19,266.94
		\$1,385,796.51

OPERATING, ADMINISTRATIVE AND OTHER COSTS:

Development.....	\$	61,195.05
Mining.....		340,335.05
Milling.....		178,437.67
Assaying.....		10,426.21
Hauling and stockpiling concentrates.....		44,299.07
Mine office and supervision.....		45,668.06
General expense at property.....		110,300.79
Head office administration.....		11,626.12
Deferred operating expense written off.....		17,543.65
	\$	819,831.67
Interest on notes.....		46,025.70
Discount on notes.....		3,980.00
Provision for Taxes.....		18,780.91
	\$	888,618.28
Profit before providing for depreciation on buildings, machinery and equipment or amortization of deferred development expense.....	\$	497,178.23
DEDUCT provision for depreciation and amortization:		
Applied to reserve for depreciation.....	\$	351,344.79
Applied to deferred development expense.....		168,594.35
		519,939.14
Net loss for year after providing depreciation and amortization totalling \$519,939.14.....	\$	22,760.91

INTERIM BALANCE SHEET AS AT APRIL 30th, 1945

ASSETS

CURRENT ASSETS:

Cash.....		\$ 55,493.11	
Accounts Receivable.....		11,614.07	
Metal Sales outstanding.....		307,833.69	
Supplies.....		152,629.09	
			\$ 527,569.96

FIXED ASSETS:

Mine Property.....		\$ 512,650.40	
Mine Buildings, Machinery and Equipment.....	\$1,067,849.75		
Less: Depreciation.....	439,456.45	628,393.30	
			\$1,141,043.70

DEFERRED ASSETS:

Organization.....		\$ 2,615.84	
Discount on Notes.....		21,520.00	
Prepaid Expense.....		19,479.16	
Deferred Development as at September 30th, 1944.....	\$ 168,594.37		
Additions to April 30th, 1945.....	8,701.59		
	\$ 177,295.96		
Less: Write off year to date.....	105,236.32		
		72,059.64	
			\$ 115,674.64
			\$1,784,288.30

LIABILITIES

CURRENT LIABILITIES:

Payrolls Payable.....		\$ 18,394.96	
Accounts Payable.....		54,093.11	
Reserve for Interest.....		47,035.22	
Reserve for Quebec Tax.....		28,208.32	
			\$ 147,731.61

DEFERRED LIABILITIES:

5% First Mortgage Notes due April 1st, 1948.....		\$ 350,000.00	
5% Secured Notes Series "A".....	\$ 80,000.00		
Less: Redeemed January 31st, 1945.....	80,000.00		
5% Secured Notes Series "B", due October 1st, 1950.....		425,000.00	
Unsecured Notes due November 6th, 1951.....		302,310.75	
			\$1,077,310.75

CAPITAL STOCK:

Authorized—3,500,000 shares of \$1.00 each.			
Issued—3,499,907 shares.....		\$3,499,907.00	
Less: Discount on shares issued.....		2,989,420.45	
			\$ 510,486.55

SURPLUS ACCOUNT:

Deficit at September 30th, 1944.....	\$ 22,760.91		
Add Profit, year to date.....	71,520.30		
		48,759.39	
			\$ 559,245.94
			\$1,784,288.30

MINE MANAGER'S REPORT

The President and Directors,
New Calumet Mines Limited,
Toronto, Ontario.

Gentlemen:

The following report covering operations for the period October 1st, 1943, to September 30th, 1944 is submitted for your consideration.

The mill was tuned in about the middle of September last year and operated continuously during the period. The mill was constructed to handle 500 tons of ore per day, but insufficient underground development had been completed at the time of commencing milling operations to attain this tonnage. The tonnage was steadily worked up, however, from 240 tons per day to slightly over 400 tons some two months after milling started.

Much development and preparation work was performed underground for the purpose of increasing tonnage, and several additions to the plant were made. The predominating features of this work consisted of the installation of an ore pocket in the shaft at a depth of 650 feet, the raising of ore passes from the pocket to the 300-ft. level, and the construction of a new and higher headframe to affect a change from hoisting in cars to hoisting in skips. At the same time new levels were established at 400, 500, 600, and 700 feet. Towards the end of the year the MacDonald shaft was dewatered and reconditioned, and a new headframe and hoist house were erected there for the purpose of extracting some of the ore in this area.

Shortage of labour underground and on surface impeded rapid progress on construction and mine preparation. Although the changes referred to above have been made to increase tonnage, it may be impossible to reach the desired output in 1945 unless there is some improvement in this direction. In addition, frequent heavy flows of water have caused delays underground. So far these have been effectively cemented off but others may be expected to occur as the mine is opened up.

SUMMARY OF DEVELOPMENT

	Oct. 1st, 1943, to Sept. 30, 1944	Total to Date
Shaft.....	24 ft.	745 ft.
Stations and Sumps.....	13,255 cu. ft.	50,848 cu. ft.
Loading Pocket.....		6,375 cu. ft.
Drifting, Crosscutting, and Raising:		
200-ft. level.....	89 ft.	1,890 ft.
300-ft. level.....	800 ft.	1,816 ft.
400-ft. level.....	1,056 ft.	1,056 ft.
500-ft. level.....	153 ft.	153 ft.
600-ft. level.....	134 ft.	134 ft.
650-ft. level.....	107 ft.	107 ft.
700-ft. level.....	50 ft.	50 ft.
	2,389 ft.	5,206 ft.
Diamond Drilling:		
Surface.....		99,469 ft.
200-ft. level.....	905 ft.	5,904 ft.
300-ft. level.....	945 ft.	3,289 ft.
400-ft. level.....	1,627 ft.	1,627 ft.
500-ft. level.....	301 ft.	301 ft.
	3,778 ft.	110,590 ft.

Work outlined in the above table consisted of:

- An ore pocket at the 650-ft. horizon.
- Ore and waste passes to 600 feet and ore passes to the 300-ft. level.
- Drifts and slashing on the 300-, 400-, 500-, and 600-ft. levels to allow installation of ore pass grizzlies.
- A pumping sump on the 400-ft. level.
- Excavation for a large pump on the 700-ft. level.

ORE RESERVES

	Tons	Zn.	Pb.	Ag.	Au.
Main Shaft Area above 600-ft. level (Considered Positive).....	394,550	8.32%	2.81%	6.15 ozs.	.048 ozs.
MacDonald Shaft Area and Bowie and Longstreet Ore Bodies (Considered Indicated).....	517,772	9.81%	3.11%	6.22 ozs.	.042 ozs.
Broken Ore in Stopes.....	23,095	9.41%	2.41%	4.26 ozs.	.020 ozs.

In addition to the above tonnages exploratory drilling has indicated the presence of some ore in the foot-wall between the 300 and 500-ft. levels. Insufficient work has so far been done to ascertain the dimensions or grade of this material.

MILL

Mill results for the year were as follows:

	Tons	Zn.	Pb.	Ag.	Au.
Tons Treated.....	148,245	9.41%	2.41%	4.26 ozs.	.020 ozs.
Zn. Concts. Prod.....	24,160.9	52.00%	.74%	4.07 ozs.	.017 ozs.
Pb. Concts. Prod.	7,376.3	5.16%	45.32%	61.81 ozs.	.238 ozs.
Recovery.....		91.90%	89.50%	68.90%	55.40%
Metal Produced.....	24,907,451.3 lbs.	6,594,247.7 lbs.	444,487.5 ozs.	1,790.9 ozs.	

ADDITIONS TO PLANT AND EQUIPMENT

The old office building was renovated and divided into four modern apartments for members of the staff.

Fire protection was increased by the erection of a 60,000-gallon water tank on an 80-ft. tower, the erection of a steel 75,000-gallon water storage tank, and the installation of an electrically-driven fire pump in a fire proof pump house under the storage tank. In addition six standard hydrants were located in the mine yard connected with independent fire lines to the water supply, and a second 500 g.p.m. pump was installed at the Ottawa River pump house.

Other construction consisted of:

- 1 Warehouse, 30' x 60'.
- 2 1-storey cottages at the Mine.
- 3 1-storey cottages at Bryson.
- 1 Garage building, 24' x 109'.
- An addition to the carpenter shop.
- 1 Powder magazine, 16' x 16'.
- 1 Stable building, 15' x 24'.
- 1 Hose-reel house.
- 1 Headframe, 100 feet high to the sheaves, with its attendant ore-and-waste-bin housing.
- 1 Headframe, 65 feet high to the sheaves, with adjoining ore-and-waste-bins, at the MacDonald shaft.
- 1 Hoist house, 30' x 44', at the MacDonald shaft.

A loading ramp was built at Campbell's Bay for handling lead concentrates, and approximately one mile of fencing was erected around the Mine premises.

The Diesel-driven compressor was equipped with an electric motor.

A dust-control system was installed in the crusher and screen houses.

Buried air and water lines were laid to service the MacDonald shaft.

A large snow plow was purchased for plowing the country roads, and four buses were put in service to enable the employees to reach the Mine from the nearby towns.

Some rock drills, slusher hoists, two mucking machines, and two triplex pumps were added to the under-ground equipment in addition to the skips installed in the shaft.

I again have pleasure in extending my thanks to Mr. M. A. Thomson, President, and Mr. Thayer Lindsley for their support during the year. Also I wish to express my appreciation to the Staff and Employees for their excellent work and loyalty throughout.

Respectfully submitted,
J. M. CUNNINGHAM-DUNLOP,
Mine Manager.

November 20, 1944,
Calumet Islands, Quebec.

